

Alternative Estimates of Capital Consumption and Profits of Nonfinancial Corporations, 1929-79: Revised Estimates

Revised estimates of capital consumption and profits of nonfinancial corporations for 1929-79, based on alternative depreciation formulas and service lives and valued at historical and current cost, are shown in tables 1-3. They incorporate the revised national income and product account (NIPA) estimates that were described in the December 1980 SURVEY OF CURRENT BUSINESS. The depreciation formulas used are straight-line and double-declining balance; service lives used are 100 percent of Internal Revenue Service Bulletin F (F), .85 percent of Bulletin F (.85F), 75 percent of Bulletin F (.75F), and 100 percent of Bulletin F through 1940 with a gradual decrease to 75 percent of Bulletin F in 1960 (F to .75F). A statement of methodology appeared in the March 1976 SURVEY.

Table 1.—Capital Consumption Allowances, Nonfinancial Corporations: National Income and Product Account Estimates and Estimates Based on Alternative Methods of Depreciation, 1929-79

(Billions of dollars)

Line		1929	1930	1931	1932	1933	1934	1935	1936	1937	1938	1939	1940	1941	1942	1943	1944	1945
1	Capital consumption allowances, NIPA:	4.1	4.2	4.2	3.9	3.7	3.5	3.5	3.6	3.5	3.6	3.6	3.7	4.1	4.0	6.3	0.0	6.3
2	Capital consumption allowances with capital consumption adjustment, NIPA:	5.5	5.4	5.0	4.5	4.2	4.4	4.4	4.4	4.4	4.5	4.6	4.8	4.8	6.1	6.2	6.3	6.5
	Capital consumption allowances with capital consumption adjustment, alternative methods of depreciation:																	
	Historical-cost valuation:																	
	Straight-line depreciation:																	
3	F service lives:	4.6	4.5	4.6	4.5	4.4	4.3	4.3	4.3	4.4	4.4	4.5	4.6	4.7	4.7	4.7	4.7	4.8
4	.85F service lives:	4.6	4.3	4.5	4.3	4.2	4.5	4.4	4.4	4.5	4.4	4.5	4.5	4.7	4.8	4.7	4.8	4.8
5	.75F service lives:	4.9	5.0	4.9	4.6	4.8	4.6	4.6	4.7	4.6	4.6	4.6	4.6	4.7	4.8	4.8	4.8	4.8
6	F to .75F service lives:	4.4	4.5	4.0	4.5	4.4	4.3	4.3	4.3	4.4	4.4	4.4	4.5	4.6	4.7	4.7	4.7	4.8
	Double-declining balance depreciation:																	
7	F service lives:	4.8	4.9	4.9	4.7	4.4	4.3	4.1	4.1	4.2	4.2	4.3	4.4	4.6	4.8	4.7	4.7	5.0
8	.85F service lives:	5.0	5.2	5.1	4.9	4.6	4.3	4.2	4.2	4.3	4.4	4.4	4.5	4.7	4.8	4.8	4.8	5.1
9	.75F service lives:	5.2	5.4	5.2	5.0	4.6	4.3	4.2	4.2	4.3	4.4	4.4	4.5	4.7	4.9	4.8	4.8	5.2
10	F to .75F service lives:	4.8	4.9	4.9	4.7	4.4	4.3	4.1	4.1	4.2	4.2	4.3	4.4	4.6	4.8	4.8	4.8	5.1
	Current-cost valuation:																	
	Straight-line depreciation:																	
11	F service lives:	4.2	5.1	4.8	4.3	4.1	4.3	4.3	4.3	4.7	4.8	4.7	4.9	5.4	6.1	6.2	6.3	6.5
12	.85F service lives:	5.5	5.4	5.1	4.5	4.2	4.3	4.3	4.2	4.7	4.7	4.7	4.8	5.3	6.0	6.1	6.1	6.4
13	.75F service lives:	5.2	5.1	4.8	4.3	4.1	4.3	4.3	4.3	4.7	4.8	4.7	4.9	5.4	6.1	6.2	6.3	6.5
	Double-declining balance depreciation:																	
14	F service lives:	5.5	5.3	5.0	4.8	4.0	4.1	4.1	4.1	4.6	4.7	4.6	4.8	5.3	6.0	5.1	6.1	6.4
15	.85F service lives:	5.0	5.1	5.1	4.4	4.0	4.1	4.0	4.1	4.6	4.6	4.5	4.8	5.3	6.0	6.1	6.1	6.4
16	.75F service lives:	5.7	5.6	5.1	4.4	4.0	4.3	4.0	4.6	4.6	4.6	4.5	4.7	5.3	6.0	6.0	6.0	6.4
17	F to .75F service lives:	5.5	5.3	5.0	4.8	4.0	4.1	4.1	4.1	4.6	4.7	4.6	4.8	5.3	6.0	5.1	6.1	6.5

Line		1940	1941	1942	1943	1944	1945	1946	1947	1948	1949	1950	1951	1952	1953	1954	1955	1956
1	Capital consumption allowances, NIPA:	4.0	5.7	6.0	7.8	8.7	10.1	11.3	12.9	14.7	17.1	18.6	20.4	21.0	23.1	24.7	26.0	29.7
2	Capital consumption allowances with capital consumption adjustment, NIPA:	7.8	8.2	10.0	11.7	12.6	14.8	15.8	16.8	17.0	18.1	21.5	23.6	24.8	25.8	27.5	28.4	
	Capital consumption allowances with capital consumption adjustment, alternative methods of depreciation:																	
	Historical-cost valuation:																	
	Straight-line depreciation:																	
3	F service lives:	5.4	5.6	5.6	7.6	8.4	9.4	10.4	11.4	12.0	13.7	15.1	16.4	17.0	18.7	19.8	21.1	22.2
4	.85F service lives:	5.5	5.2	7.1	8.1	8.0	10.0	11.2	12.5	13.0	14.8	16.2	17.6	18.9	20.1	21.4	22.6	23.0
5	.75F service lives:	5.0	5.6	7.4	8.6	8.5	10.6	11.8	12.1	14.4	16.6	17.1	18.6	20.0	21.2	22.5	23.8	25.1
6	F to .75F service lives:	5.5	6.1	7.0	7.0	8.8	9.0	11.1	12.9	13.7	15.1	16.7	18.3	19.8	21.2	22.7	24.1	25.7
	Double-declining balance depreciation:																	
7	F service lives:	5.8	6.7	6.9	8.0	9.0	11.0	12.2	12.4	14.6	15.9	17.4	18.1	20.4	21.4	22.6	23.8	25.0
8	.85F service lives:	6.0	7.0	6.4	8.6	10.5	11.7	12.0	12.2	14.2	15.6	16.8	18.5	20.3	21.4	22.6	23.9	25.1
9	.75F service lives:	6.1	7.2	6.8	10.0	10.9	12.2	13.6	14.0	16.3	17.6	18.2	21.3	22.6	23.0	24.2	25.0	27.3
10	F to .75F service lives:	5.9	6.0	6.2	9.4	10.4	11.6	12.0	13.4	15.8	17.2	18.1	21.1	22.6	23.8	25.2	26.5	28.0
	Current-cost valuation:																	
	Straight-line depreciation:																	
11	F service lives:	7.5	9.1	10.0	11.4	12.2	14.1	15.1	16.1	17.1	18.3	20.0	22.6	23.5	24.8	26.8	28.5	29.3
12	.85F service lives:	7.6	9.3	10.5	11.0	12.0	15.0	15.3	17.2	18.3	22.3	24.4	26.1	27.4	28.1	29.0		
13	.75F service lives:	7.6	9.3	10.8	11.7	12.6	14.7	16.0	17.1	18.3	19.7	22.7	25.6	26.2	26.7	27.7	29.7	30.3
	Double-declining balance depreciation:																	
14	F service lives:	7.7	8.6	11.4	12.2	12.1	15.2	16.3	17.3	18.3	19.6	22.4	24.8	26.5	28.4	27.3	27.9	28.8
15	.85F service lives:	7.7	8.7	11.7	12.0	12.6	15.6	16.8	17.0	18.0	20.2	23.1	25.6	26.4	27.2	28.1	28.7	29.6
16	.75F service lives:	7.7	8.9	11.8	12.0	12.8	15.0	17.2	18.3	19.4	20.6	23.7	26.1	27.0	27.8	28.6	29.3	29.2
17	F to .75F service lives:	7.8	8.8	11.8	12.8	12.7	16.9	17.2	18.3	19.5	21.0	24.2	26.8	27.0	28.0	30.0	31.6	31.8

See footnotes at end of table.

SURVEY OF CURRENT BUSINESS

Table 1.—Capital Consumption Allowances, Nonfinancial Corporations: National Income and Product Account Estimates and Estimates Based on Alternative Methods of Depreciation, 1929-79—Continued

(Billions of dollars)

Line		1929	1930	1931	1932	1933	1934	1935	1936	1937	1938	1939	1940	1941	1942	1943	1944	1945
1	Capital consumption allowances, NIPA ¹	31.7	33.0	36.4	39.5	42.9	46.0	51.1	54.6	58.6	65.3	70.5	77.7	85.2	91.7	105.3	117.8	133.4
2	Capital consumption allowances with capital consumption adjustment, NIPA ¹	28.4	30.8	32.7	35.0	38.9	42.0	47.1	52.2	57.3	62.6	67.9	78.5	94.0	104.8	126.6	129.7	147.5
	Capital consumption allowances with capital consumption adjustment, alternative methods of depreciation:																	
	Historical-cost valuation:																	
	Straight-line depreciation:																	
3	F service lives	22.7	25.1	27.0	29.1	31.5	34.0	36.8	39.8	42.6	45.8	48.8	54.3	59.2	64.4	70.7	78.4	87.4
4	.5SF service lives	21.3	24.9	26.8	28.8	31.2	33.5	36.4	38.5	42.8	45.8	48.2	53.5	58.4	63.7	68.3	76.2	84.7
5	.75F service lives	20.6	23.6	25.3	27.2	29.5	32.5	34.4	37.7	41.1	45.2	51.6	56.3	61.6	67.3	72.6	80.6	89.7
6	F to .75F service lives	27.3	28.0	31.2	33.8	36.6	39.4	42.7	45.1	48.2	52.6	57.1	62.4	68.0	72.9	81.2	90.3	101.0
	Double-declining balance depreciation:																	
7	F service lives	28.4	28.1	29.3	33.1	36.2	39.0	42.3	45.7	48.8	52.8	57.1	62.9	68.7	74.7	82.4	92.1	103.5
8	.5SF service lives	27.8	29.6	31.9	35.0	38.3	41.3	44.9	48.8	51.7	55.5	60.6	65.7	73.0	79.3	87.6	98.1	118.5
9	.75F service lives	29.8	30.7	33.2	36.5	39.9	42.1	46.8	50.6	53.9	57.7	63.8	69.7	75.3	83.0	91.7	102.9	116.1
10	F to .75F service lives	29.6	31.5	34.0	37.4	40.8	43.8	47.6	51.4	54.0	58.4	63.7	70.3	76.5	83.5	92.2	103.4	116.6
	Current-cost valuation:																	
	Straight-line depreciation:																	
11	F service lives	26.3	29.7	31.5	34.1	37.2	40.8	44.8	49.6	54.4	58.9	64.3	70.4	80.0	88.6	103.3	124.8	141.6
12	.5SF service lives	30.0	31.5	32.5	35.6	40.0	42.9	46.8	50.0	52.2	54.1	59.9	62.1	67.3	73.0	83.0	103.1	125.2
13	F to .75F service lives	32.0	33.5	35.7	38.9	42.3	46.3	51.1	54.5	58.7	64.0	72.4	84.7	100.3	110.8	122.4	139.0	156.2
	Double-declining balance depreciation:																	
14	F service lives	22.9	31.5	33.8	37.2	40.9	44.8	48.6	54.7	58.8	64.1	70.2	82.5	97.9	107.0	118.1	122.5	151.7
15	.5SF service lives	30.8	31.4	34.8	38.6	42.8	46.9	51.5	57.0	62.0	64.7	72.9	85.8	101.7	110.9	122.2	138.2	157.1
16	.75F service lives	31.4	33.1	35.7	39.8	43.7	48.0	53.1	58.7	63.8	68.6	75.0	88.3	104.6	112.8	125.4	141.8	151.1
17	F to .75F service lives	33.1	34.8	37.4	41.4	45.8	49.7	54.0	59.0	65.6	70.6	80.8	96.7	115.9	127.4	143.9	163.3	

1. Tax return-based capital consumption allowances.

2. Based on current cost valuation, straight-line depreciation, and .5SF service lives.

Table 2.—Capital Consumption Adjustment, Nonfinancial Corporations: National Income and Product Account Estimates and Estimates Based on Alternative Methods of Depreciation, 1929-79

(Billions of dollars)

Line		1929	1930	1931	1932	1933	1934	1935	1936	1937	1938	1939	1940	1941	1942	1943	1944	1945
1	Capital consumption adjustment, NIPA ¹	-1.4	-1.2	-0.8	-0.6	-0.6	-0.9	-0.9	-0.9	-1.2	-1.2	-1.1	-1.2	-1.2	-1.2	-0.9	-0.3	-0.3
	Capital consumption adjustment, alternative methods of depreciation, ²																	
	Historical-cost valuation:																	
	Straight-line depreciation:																	
2	F service lives	-2.8	-2.2	-2.8	-2.6	-2.7	-2.8	-2.8	-2.8	-2.8	-2.8	-2.8	-2.7	-2.8	-2.8	-2.8	1.9	1.4
3	.5SF service lives	-2.5	-2.8	-2.6	-2.9	-2.8	-3.0	-2.9	-2.8	-2.8	-2.8	-2.8	-2.8	-2.8	-2.8	-2.8	1.2	1.4
4	.75F service lives	-2.7	-2.8	-2.8	-3.0	-3.1	-3.1	-3.0	-2.8	-2.8	-2.8	-2.8	-2.8	-2.8	-2.8	-2.8	1.2	1.3
5	F to .75F service lives	-2.4	-2.2	-2.3	-2.4	-2.7	-2.8	-2.8	-2.8	-2.8	-2.8	-2.8	-2.7	-2.8	-2.8	-2.8	1.3	1.4
	Double-declining balance depreciation:																	
6	F service lives	-1.7	-1.7	-1.7	-1.8	-1.7	-1.7	-1.6	-1.6	-1.7	-1.7	-1.7	-1.7	-1.7	-1.7	-1.7	1.2	1.2
7	.5SF service lives	-1.0	-1.0	-0.9	-1.0	-1.0	-1.0	-1.0	-1.0	-1.0	-1.0	-1.0	-1.0	-1.0	-1.0	-1.0	1.2	1.2
8	.75F service lives	-1.1	-1.1	-1.0	-1.1	-1.0	-1.0	-1.0	-1.0	-1.0	-1.0	-1.0	-1.0	-1.0	-1.0	-1.0	1.1	1.1
9	F to .75F service lives	-1.7	-1.7	-1.7	-1.8	-1.7	-1.7	-1.6	-1.6	-1.7	-1.7	-1.7	-1.7	-1.7	-1.7	-1.7	1.2	1.2
	Current-cost valuation:																	
	Straight-line depreciation:																	
10	F service lives	-1.1	-1.0	-1.0	-1.4	-1.4	-1.7	-1.8	-1.8	-1.2	-1.2	-1.1	-1.2	-1.2	-1.1	-1.1	-0.9	-0.3
11	.5SF service lives	-1.4	-1.2	-1.8	-1.6	-1.5	-1.8	-1.8	-1.8	-1.2	-1.2	-1.0	-1.1	-1.2	-1.0	-1.0	-0.9	-0.1
12	F to .75F service lives	-1.1	-1.0	-0.8	-1.4	-1.4	-1.7	-1.8	-1.8	-1.2	-1.2	-1.1	-1.2	-1.1	-1.1	-1.1	-0.9	-0.3
	Double-declining balance depreciation:																	
13	F service lives	-1.3	-1.1	-1.7	-1.4	-1.3	-1.5	-1.6	-1.6	-1.0	-1.1	-1.0	-1.1	-1.1	-1.1	-1.1	-1.1	-0.1
14	.5SF service lives	-1.5	-1.2	-1.8	-1.5	-1.4	-1.5	-1.6	-1.6	-1.0	-1.0	-1.0	-1.1	-1.1	-1.1	-1.1	-1.1	-0.1
15	.75F service lives	-1.6	-1.4	-1.9	-1.5	-1.5	-1.8	-1.8	-1.8	-1.0	-1.0	-1.0	-1.1	-1.1	-1.1	-1.1	-1.1	-0.1
16	F to .75F service lives	-1.3	-1.1	-1.7	-1.4	-1.3	-1.5	-1.6	-1.6	-1.0	-1.1	-1.0	-1.1	-1.1	-1.1	-1.1	-1.1	-0.1

See footnotes at end of table.

Table 2.—Capital Consumption Adjustment, Nonfinancial Corporations: National Income and Product Account Estimates and Estimates Based on Alternative Methods of Depreciation, 1929–79—Continued

Line		[Billions of dollars]																	
		1948	1947	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962	
1	Capital consumption adjustment, NIPA ¹	-3.0	-2.5	-4.0	-3.9	-3.0	-4.6	-4.5	-3.9	-3.2	-2.6	-3.3	-3.4	-3.3	-2.7	-2.1	-1.5	1.4	
	Capital consumption adjustment, alternative methods of depreciation: ²																		
	Historical-cost valuation:																		
	Straight-line depreciation:																		
2	F service lives	-1.0	-1.2	-1.3	-1.2	-1.3	-1.7	-1.9	3.5	2.1	2.3	3.6	4.0	4.0	4.4	4.5	4.9	7.4	
3	.85F service lives	-1.0	-1.0	-1.2	-1.2	-1.3	-1.1	-1.1	2.1	2.0	2.6	2.6	2.0	2.0	2.2	2.4	2.6	7.4	
4	.75F service lives	-1.0	-1.7	-1.6	-1.8	-1.8	-1.5	-1.6	1.1	1.2	1.3	1.6	1.6	1.6	1.9	2.2	2.6	7.4	
5	F to .75F service lives	-1.0	-1.4	-1.1	-1.1	-1.2	-1.2	-1.2	1.0	1.0	2.1	1.8	2.0	2.0	1.8	1.8	1.8	7.4	
	Double-declining balance depreciation:																		
6	F service lives	-1.2	-1.0	-1.1	-1.2	-1.2	-1.2	-1.2	-1.9	-1.4	-1.1	1.3	1.1	1.2	1.2	1.7	2.1	2.2	4.3
7	.85F service lives	-1.1	-1.5	-1.5	-1.7	-1.8	-1.6	-1.7	-1.8	-1.0	-1.3	-1.4	-1.4	-1.4	-1.6	-1.8	-2.0	2.4	4.3
8	.75F service lives	-1.0	-1.8	-1.5	-2.1	-2.1	-2.1	-2.1	-2.3	-2.0	-1.6	-1.6	-1.6	-1.6	-1.6	-1.6	-1.6	2.4	4.3
9	F to .75F service lives	-1.0	-1.2	-1.4	-1.8	-1.7	-1.7	-1.7	-1.4	-1.1	-1.1	-1.5	-1.5	-1.5	-1.5	-1.5	-1.5	2.4	4.3
	Current-cost valuation:																		
	Straight-line depreciation:																		
10	F service lives	-2.0	-3.4	-3.7	-3.5	-3.5	-4.0	-4.0	-3.8	-3.1	-2.4	-2.3	-2.3	-2.3	-2.2	-1.7	-1.1	-1.5	2.4
11	.85F service lives	-2.0	-3.5	-4.0	-4.1	-4.2	-4.8	-4.9	-4.9	-4.3	-3.6	-3.6	-3.7	-3.7	-3.8	-2.7	-2.1	-2.5	2.4
12	.75F service lives	-3.0	-3.5	-4.0	-3.9	-4.0	-4.7	-4.7	-4.2	-3.6	-3.6	-3.6	-3.6	-3.6	-4.7	-4.4	-3.7	-3.7	2.4
	Double-declining balance depreciation:																		
13	F service lives	-3.1	-3.8	-4.6	-4.5	-4.5	-6.1	-5.0	-4.3	-3.6	-2.6	-2.6	-2.6	-2.6	-4.0	-3.3	-2.6	-2.0	0.0
14	.85F service lives	-3.1	-4.0	-4.8	-4.8	-4.8	-5.5	-5.5	-4.9	-4.2	-3.1	-3.1	-3.1	-3.1	-4.5	-4.1	-3.4	-2.7	0.1
15	.75F service lives	-3.1	-4.1	-5.0	-5.1	-5.0	-5.9	-5.3	-4.7	-3.5	-2.5	-2.5	-2.5	-2.5	-4.7	-4.2	-3.5	-2.8	0.1
16	F to .75F service lives	-3.2	-4.0	-4.9	-4.9	-5.0	-5.8	-5.8	-5.4	-4.8	-3.9	-3.9	-3.9	-3.9	-5.8	-5.3	-4.8	-4.2	0.1

Line		1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979
1	Capital consumption adjustment, NIPA ¹	2.3	2.9	3.7	3.9	4.0	4.0	4.0	2.4	1.3	2.7	2.6	-1.8	-8.7	-13.0	-11.4	-12.6	-14.1
	Capital consumption adjustment, alternative methods of depreciation: ²																	
	Historical-cost valuation:																	
	Straight-line depreciation:																	
2	F service lives	3.0	3.5	3.5	10.4	11.4	12.6	14.2	14.9	16.0	19.4	20.7	26.3	26.0	27.4	34.6	38.9	44.0
3	.85F service lives	6.3	6.8	7.6	8.2	9.1	10.1	11.5	11.9	12.8	16.0	17.0	18.3	21.5	23.6	28.1	32.4	35.8
4	.75F service lives	5.1	5.5	6.2	6.8	7.4	8.2	9.4	9.6	10.4	14.2	16.1	17.9	18.5	20.8	27.6	33.9	37.4
5	F to .75F service lives	4.3	4.8	5.2	5.7	6.3	7.1	8.3	8.6	9.4	12.3	13.3	17.2	17.6	24.0	30.9	32.4	37.4
	Double-declining balance depreciation:																	
6	F service lives	5.2	5.8	6.1	6.4	6.7	7.5	8.7	8.8	9.8	12.0	12.4	14.8	16.3	17.0	22.0	25.2	29.9
7	.85F service lives	5.2	6.1	4.5	4.6	4.6	5.2	6.2	5.1	7.0	9.9	10.0	11.0	12.5	12.4	17.7	19.2	21.9
8	.75F service lives	2.6	2.9	3.2	3.8	3.9	3.4	4.2	4.0	4.8	7.6	8.0	8.8	8.8	13.5	14.4	17.3	17.4
9	F to .75F service lives	2.0	2.0	2.4	2.1	2.4	2.6	3.4	3.3	4.1	6.9	7.4	7.4	8.3	8.3	13.1	13.8	16.9
	Current-cost valuation:																	
	Straight-line depreciation:																	
10	F service lives	3.3	4.0	5.0	5.4	5.7	5.9	6.3	6.0	4.2	6.4	6.2	2.3	-4.8	-7.6	-8.0	-7.5	-8.2
11	.85F service lives	1.6	2.2	3.0	3.0	2.9	2.6	2.4	-1.8	-1.5	1.3	1.6	-6.4	-12.8	-16.2	-14.4	-17.5	-18.6
12	.75F service lives	-1.3	-1.2	-1.8	-1.6	-1.5	-1.3	-1.0	-1.3	-1.3	-1.8	-7.0	-15.6	-18.1	-17.1	-20.7	-22.6	
	Double-declining balance depreciation:																	
13	F service lives	1.7	2.1	2.7	2.6	2.0	1.8	1.6	-1.1	-1.0	1.1	-4	-1.8	-12.7	-15.8	-12.8	-16.3	-19.2
14	.85F service lives	0.8	1.2	1.6	1.8	-1	0	-1.4	-2.3	-3.4	-1.4	-2.4	-8.1	-16.5	-18.2	-17.0	-20.9	-24.7
15	.75F service lives	0.3	-0.6	0	-0.8	-1.4	-2.0	-2.1	-5.2	-5.3	-4.5	-30.7	-19.4	-22.1	-20.1	-24.8	-27.7	
16	F to .75F service lives	-1.4	-1.2	-1.0	-1.4	-2.6	-2.2	-2.9	-5.0	-7.0	-5.1	-8.4	-15.9	-21.5	-24.1	-22.1	-26.6	-29.9

1. Equals Line 1, table I, minus Line 2, table I.

2. Lines 2 through 16 are equal to tax return-based capital consumption allowances (line 1, table I) minus the capital consumption allowances based on the designated valuation, depre-

cation journals, and service lives (lines 3 through 17, table I). For example, line 3 equals line 1, table I, minus line 2, table I.

Table 3.—Corporate Profits With Inventory Valuation Adjustment, Nonfinancial Corporations:¹ National Income and Product Account Estimates and Estimates Based on Alternative Methods of Depreciation, 1929-79

Line	(Billions of dollars)																	
	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938	1939	1940	1941	1942	1943	1944	1945	
1	Corporate profits before deduction of capital consumption allowances with inventory valuation adjustment, NIPA.	13.0	10.6	9.1	3.5	2.2	4.9	5.3	8.2	9.4	7.5	9.0	12.5	18.1	23.0	28.2	27.0	23.6
2	Corporate profits with inventory valuation adjustment and without capital consumption adjustment, NIPA. ²	8.9	6.4	1.9	-1.4	-1.5	1.4	2.8	4.7	5.8	3.9	5.3	8.6	14.0	18.9	22.8	21.0	17.1
3	Corporate profits with inventory valuation and capital consumption adjustments, NIPA. ³	7.8	5.3	1.1	-2.0	-2.1	.6	1.0	3.8	4.6	2.6	4.2	7.4	12.7	17.7	21.8	21.6	17.1
	Corporate profits with inventory valuation and capital consumption adjustments, alternative methods of depreciation: ⁴																	
	Historical-cost valuation:																	
	Straight-line depreciation:																	
6	F service lives	8.6	4.1	1.6	-2.0	-2.2	.6	2.1	4.0	5.8	3.1	4.6	7.8	13.5	19.2	21.4	21.2	18.7
5	.65F service lives	8.2	3.9	1.3	-2.2	-2.2	.4	1.0	3.8	5.6	3.0	4.5	7.8	13.3	19.1	21.3	21.0	18.6
6	.75F service lives	8.1	3.8	1.1	-2.4	-2.2	.3	1.8	3.8	5.0	3.0	4.5	7.8	13.4	19.1	21.2	21.1	18.6
7	F to .75F service lives	8.6	6.1	1.6	-2.0	-2.2	.6	2.1	4.0	5.8	3.1	4.6	7.8	13.5	19.2	21.4	21.2	18.7
	Double-declining balance depreciation:																	
6	F service lives	8.2	6.6	1.2	-2.2	-2.2	.6	2.2	4.1	5.1	3.1	4.6	7.8	13.5	19.1	21.3	21.2	18.5
9	.65F service lives	8.0	5.4	1.0	-2.4	-2.4	.6	2.1	4.1	5.1	3.1	4.6	7.8	13.4	19.0	21.2	21.1	18.5
10	.75F service lives	7.6	5.2	.9	-2.6	-2.4	.5	2.1	4.1	5.1	3.1	4.6	7.8	13.4	18.0	21.3	21.1	18.4
11	F to .75F service lives	8.2	6.6	1.2	-2.2	-2.2	.6	2.2	4.1	5.1	3.1	4.6	7.8	13.5	19.1	21.3	21.2	18.5
	Current-cost valuation:																	
	Straight-line depreciation:																	
12	F service lives	7.8	5.5	1.3	-1.8	-2.0	.6	2.0	3.9	4.6	2.7	4.2	7.4	12.7	17.8	21.0	21.6	17.1
13	.65F service lives	7.6	5.2	1.1	-2.0	-2.1	.6	2.0	3.9	4.7	2.7	4.3	7.5	12.5	17.9	21.0	21.8	17.2
14	.75F service lives	7.8	5.5	1.3	-1.8	-2.0	.6	2.0	3.9	4.6	2.7	4.2	7.4	12.7	17.8	21.0	21.6	17.0
	Double-declining balance depreciation:																	
15	F service lives	7.5	5.2	1.3	-1.8	-1.8	.8	2.3	4.1	4.8	2.8	4.4	7.6	12.8	17.8	22.0	21.8	17.1
16	.65F service lives	7.4	5.1	1.0	-1.9	-1.9	.8	2.3	4.2	4.8	2.8	4.4	7.6	12.8	17.8	22.0	21.8	17.2
17	.75F service lives	7.6	5.5	1.3	-1.9	-1.9	.8	2.3	4.2	4.8	2.9	4.5	7.6	12.8	17.9	22.1	21.9	17.2
18	F to .75F service lives	7.5	5.3	1.2	-1.8	-1.8	.8	2.3	4.1	4.8	2.8	4.4	7.6	12.8	17.8	21.0	21.8	17.1
Line	1946	1947	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962	
1	Corporate profits before deduction of capital consumption allowances with inventory valuation adjustment, NIPA.	21.4	28.9	36.8	34.6	42.2	49.6	46.0	48.2	46.5	57.4	57.7	58.7	55.0	66.0	64.1	65.8	73.0
2	Corporate profits with inventory valuation adjustment and without capital consumption adjustment, NIPA. ²	18.8	23.2	22.6	24.8	33.6	37.9	34.7	32.9	31.8	40.3	30.1	38.3	33.5	42.9	38.6	39.8	44.2
3	Corporate profits with inventory valuation and capital consumption adjustments, NIPA. ³	19.8	10.7	25.8	22.9	23.6	32.4	36.2	30.0	29.8	38.3	35.0	34.0	30.2	40.1	37.4	38.3	45.6
	Corporate profits with inventory valuation and capital consumption adjustments, alternative methods of depreciation: ⁴																	
	Historical-cost valuation:																	
	Straight-line depreciation:																	
4	F service lives	16.0	21.8	29.7	27.8	33.8	38.1	35.2	35.4	32.0	42.7	42.6	42.9	37.4	47.3	44.3	44.7	51.0
5	.65F service lives	15.8	21.7	29.4	26.6	32.2	38.0	34.0	34.5	32.0	42.6	41.3	41.1	36.1	45.0	42.8	43.1	50.0
6	.75F service lives	16.7	22.5	29.1	26.2	32.7	37.4	32.1	32.1	41.8	40.8	40.1	35.1	44.8	41.6	42.0	48.8	
7	F to .75F service lives	16.9	22.8	29.5	26.7	31.3	38.1	34.0	34.5	32.8	42.3	41.0	35.2	44.8	41.4	41.6	48.2	
	Double-declining balance depreciation:																	
8	F service lives	15.6	21.2	28.5	25.8	32.3	37.0	33.8	33.4	31.8	41.8	40.2	39.8	34.7	44.6	41.6	42.0	48.0
9	.65F service lives	14.4	21.9	28.1	25.1	31.7	36.4	33.1	32.6	30.0	40.8	39.2	38.4	34.3	40.8	40.7	47.6	
10	.75F service lives	16.3	21.8	27.7	24.7	31.2	36.8	32.5	31.0	30.2	39.8	38.3	37.6	32.4	39.3	38.7	40.6	
11	F to .75F service lives	15.5	22.0	28.1	25.2	31.8	36.4	33.0	32.7	30.7	40.8	39.6	37.6	32.4	39.9	38.1	45.8	
	Current-cost valuation:																	
	Straight-line depreciation:																	
12	F service lives	13.9	10.8	25.9	23.3	30.9	34.0	36.9	30.8	32.3	38.1	35.8	35.9	31.2	41.1	38.4	39.2	45.6
13	.65F service lives	13.9	10.7	25.8	23.2	30.8	33.0	36.8	30.6	32.1	37.9	35.4	34.3	30.7	40.8	37.7	44.6	
14	.75F service lives	13.8	10.7	25.6	23.0	30.5	33.3	36.1	32.7	31.1	37.7	35.9	33.7	30.8	38.4	35.7	42.1	
	Double-declining balance depreciation:																	
15	F service lives	14.7	10.4	25.1	22.3	30.0	32.6	39.7	28.4	31.1	37.9	35.3	34.1	30.5	39.5	36.0	37.6	45.1
16	.65F service lives	13.7	10.3	24.8	22.0	30.7	32.4	39.2	28.6	31.2	37.5	34.6	33.2	30.7	38.7	36.1	44.3	
17	.75F service lives	13.6	10.1	24.6	21.7	30.4	32.0	38.9	28.3	31.1	37.1	34.8	33.6	30.6	38.5	36.2	43.8	
18	F to .75F service lives	13.6	10.1	24.7	21.0	30.5	32.1	39.0	28.5	31.4	37.4	35.6	33.0	31.0	37.1	34.2	35.8	

See footnotes at end of table.

SURVEY OF CURRENT BUSINESS

April 1981

Table 3.—Corporate Profits With Inventory Valuation Adjustment, Nonfinancial Corporations:¹ National Income and Product Account Estimates and Estimates Based on Alternative Methods of Depreciation, 1929-79—Continued

(Billions of dollars)

Line		1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979
1	Corporate profits before deduction of capital consumption allowances with inventory valuation adjustment, NIPA ²	60.7	68.5	100.4	107.8	107.7	116.8	114.8	104.9	119.4	135.8	140.5	143.1	149.9	152.6	143.3	157.3	154.1
2	Corporate profits with inventory valuation adjustment and without capital consumption adjustment, NIPA ³	40.0	54.8	64.0	68.2	64.8	69.3	63.5	60.2	60.8	70.0	76.0	65.4	65.8	120.8	137.7	150.0	150.8
3	Corporate profits with inventory valuation and capital consumption adjustments, NIPA ⁴	51.2	67.7	67.7	72.2	68.8	73.3	67.6	62.7	62.1	72.7	78.6	63.6	81.1	107.3	106.3	137.6	136.7
	Corporate profits with inventory valuation and capital consumption adjustments, alternative methods of depreciation ⁵																	
	Historical-cost valuation:																	
	Straight-line depreciation:																	
4	F service lives	57.0	63.4	73.4	79.6	79.1	81.6	77.7	61.1	76.8	82.4	95.7	98.7	121.7	147.7	172.3	159.9	186.8
5	.85F service lives	55.3	61.5	71.6	78.6	78.9	79.4	75.0	62.1	73.6	80.0	93.0	94.0	117.2	142.7	166.7	162.6	188.4
6	.75F service lives	64.1	60.3	70.2	75.6	72.1	77.4	72.8	60.8	71.2	81.4	98.2	81.4	133.7	139.8	169.3	177.8	188.5
7	F to .75F service lives	53.3	68.5	69.2	73.9	71.1	76.4	71.8	68.8	70.2	82.5	86.4	80.7	112.9	138.1	161.7	177.0	182.7
	Double-declining balance depreciation:																	
8	F service lives	54.2	60.4	70.1	74.8	71.5	76.8	72.2	59.1	70.6	82.0	98.4	98.2	112.2	137.3	160.6	176.2	182.7
9	.85F service lives	53.8	58.9	68.4	72.7	69.4	74.5	69.7	59.4	67.8	79.0	90.1	74.4	108.8	132.7	156.4	169.2	173.7
10	.75F service lives	61.8	57.8	67.2	71.3	67.7	72.7	67.7	54.3	68.6	77.6	83.5	73.4	104.8	126.5	151.2	164.4	188.1
11	F to .75F service lives	51.8	57.0	66.4	78.4	68.9	71.8	68.8	53.6	64.9	76.9	82.8	72.8	104.1	126.6	150.8	162.9	187.7
	Current-cost valuation:																	
	Straight-line depreciation:																	
12	F service lives	52.3	58.9	68.8	73.6	70.5	76.2	66.8	65.8	65.1	76.4	82.3	67.7	80.9	112.7	132.4	142.5	142.6
13	.85F service lives	50.6	57.0	66.9	71.2	67.7	71.0	66.9	59.9	68.2	71.2	78.6	61.0	93.0	104.1	123.3	133.2	131.0
14	.75F service lives	48.8	58.0	66.7	68.0	65.3	68.6	63.5	58.4	57.7	68.7	74.1	58.3	80.1	101.2	120.6	120.3	120.3
	Double-declining balance depreciation:																	
15	F service lives	59.7	67.6	68.8	70.6	68.8	71.1	65.1	58.2	54.8	71.1	76.4	60.6	83.0	105.0	124.8	143.8	132.9
16	.85F service lives	49.9	56.1	65.5	60.2	65.2	68.3	63.1	47.9	57.4	68.6	73.6	57.3	78.2	101.1	120.7	126.1	127.1
17	.75F service lives	40.8	55.4	64.7	68.2	61.9	67.8	61.5	58.2	55.6	66.7	71.8	54.7	78.4	98.2	117.5	125.5	129.1
18	F to .75F service lives	47.6	52.7	63.0	60.4	62.2	66.1	58.7	44.2	53.8	64.0	68.7	53.8	74.3	98.1	115.5	128.4	130.8

¹ Excluded profits originating in the rest of the world.² Equals line 1, table 2 minus line 1, table 1.³ Equals line 2, table 3, plus line 1, table 2.⁴ Lines 6 through 18 are equal to NIPA profits with inventory valuation adjustment and without capital consumption adjustment (line 2, table 2) plus the capital consumption adjustment based on the designated valuation, depreciation formula, and service lives (lines 2 through 18, table 2). For example, line 6 equals line 2, table 2, plus line 2, table 2.